



**Date:** April 18, 2024

**Subject:** Adjusted Graphite Bio, Inc. - Cash Distribution/Cash In Lieu Settlement  
Adjusted Option Symbol: LENZ1

Adjusted Graphite Bio, Inc. options were adjusted on March 22, 2024 (See OCC Information Memo #54348). The new deliverable became 1) 14 LENZ Therapeutics, Inc. (LENZ) Common Shares, 2) Approximately \$103.00 Cash (approximately \$1.03 Special Dividend x 100), and 3) Cash in lieu of approximately 0.2857 LENZ shares. Only settlement of the cash portion of LENZ1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that the Special Dividend will be paid at a final distribution rate of \$1.03 per LENZ share held.

OCC has been informed that a price of \$15.05 per whole LENZ share will be used to determine the cash in lieu amount at a rate of 0.2857. Accordingly, the cash in lieu amount is:

$$0.2857 \times \$15.05 = \$4.30 \text{ per LENZ1 Contract}$$

Now that the exact cash in lieu amount and distribution ratio have been determined, OCC will require Put exercisers and Call assignees, during the period of March 22, 2024 through April 18, 2024, to deliver the appropriate cash amount.

**The cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.**

Terms of the LENZ1 options are as follows:

**New Deliverable**  
**Per Contract:** 1) 14 (New) LENZ Therapeutics, Inc. (LENZ) Common Shares  
2) \$107.30 Cash (\$103.00 + \$4.30)

**Strike Prices:** Unchanged

**CUSIP:** 52635N103

**Multiplier:** 100 (i.e., a premium of 1.50 yields \$150)

**Settlement**

The LENZ component of LENZ1 exercise/assignment activity from March 22, 2024 through April 17, 2024, has settled through National Security Clearing Corporation (NSCC). The \$107.30 cash amount will be settled by OCC.

### **Pricing**

The underlying price for LENZ1 will be determined as follows:

$$\text{LENZ1} = 0.14 (\text{LENZ}) + 1.073$$

For example, if LENZ closes at 17.70, the LENZ1 price would be calculated as follows:

$$\text{LENZ1} = 0.14 (17.70) + 1.073 = 3.55$$

### **Disclaimer**

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

**ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.**

For questions regarding this memo, please email the Investor Education team at [options@theocc.com](mailto:options@theocc.com). Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theocc.com](mailto:memberservices@theocc.com).